

REISS

MODERN SLAVERY STATEMENT 2023-24

This statement has been published under the Modern Slavery Act 2015 and California Transparency in Supply Chains Act 2010. It describes the steps taken by REISS LIMITED ("Reiss") during the financial year which ended 27 January 2024.

OUR COMMITMENT

Reiss is committed to delivering enduring style and quality and continuously developing the ethical and sustainable management of our business. Our Environmental, Social and Governance (ESG) approach is published [here](#).

Reiss recognises all internationally recognised human rights principles, including the Universal Declaration of Human Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. As a responsible business we take our responsibility to respect human rights very seriously and we are committed to ensuring people are treated with dignity and respect throughout our operations. There is no place for forced labour and exploitation in our operations. We will work tirelessly to identify, prevent and eradicate exploitation in all its forms, in accordance with the UN Guiding Principles on Human Rights.

Our statement outlines the actions we have taken and will continue to take to ensure Reiss prevents incidences of Modern Slavery within our supply chains and business. As part of our Environmental, Social and Governance commitments, we support the transparency in supply chains provision (Section 54) of the Modern Slavery Act. We recognise the reality of these issues for all concerned, and we have established measures to identify the risks that Modern Slavery presents to our business and to our workers.





KEY ACTIVITIES IN 2023-24

Supply chain transparency:

- Fully implemented Segura online supplier traceability system
- Mapped 100% of Tier 1 factories, listed on Open Supply Hub
- 108 Code of Practice (COP) audits performed over 9 countries

Training and Awareness

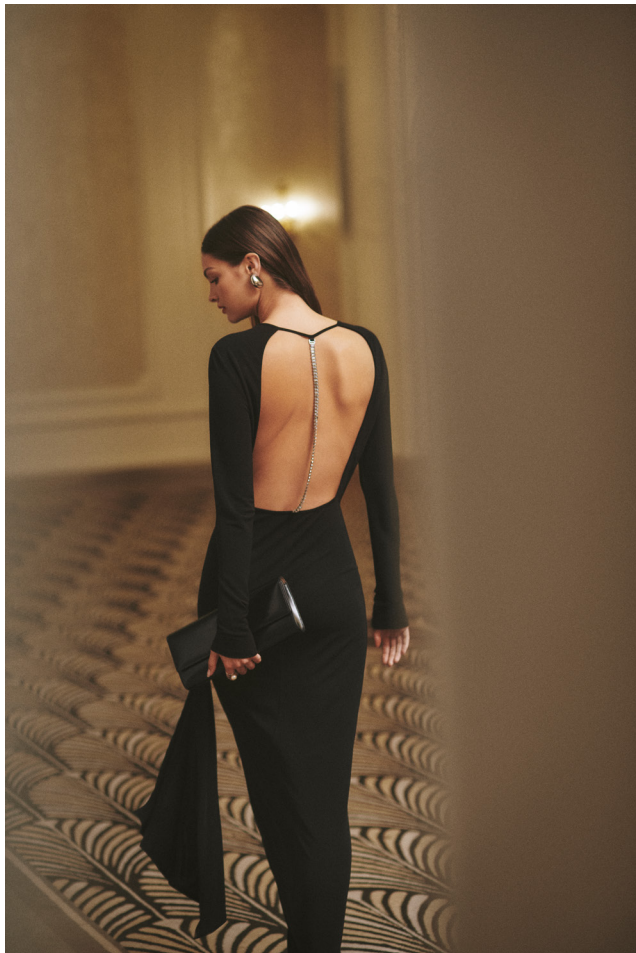
- New employee learning and communications platform rolled out, facilitating Modern Slavery training and Human Rights policy guidelines
- Supplier platform fully implemented, providing a single source of human rights and modern slavery policies and guidance
- Responsible Purchasing Practices training provided to 100% of Reiss buying and product development teams

Collaboration

- Increased our active participation in the Ethical Trading Initiative, attending webinars and member events
- Carried out in-person conference with suppliers in Delhi, India
- Carried out online supplier conferences for our suppliers in China, Turkey, Sri Lanka, Vietnam, Portugal, Spain and Italy
- Participated in quarterly sessions with NEXT Total Platform brands, sharing good practice and addressing common challenges

Active Management and Remediation

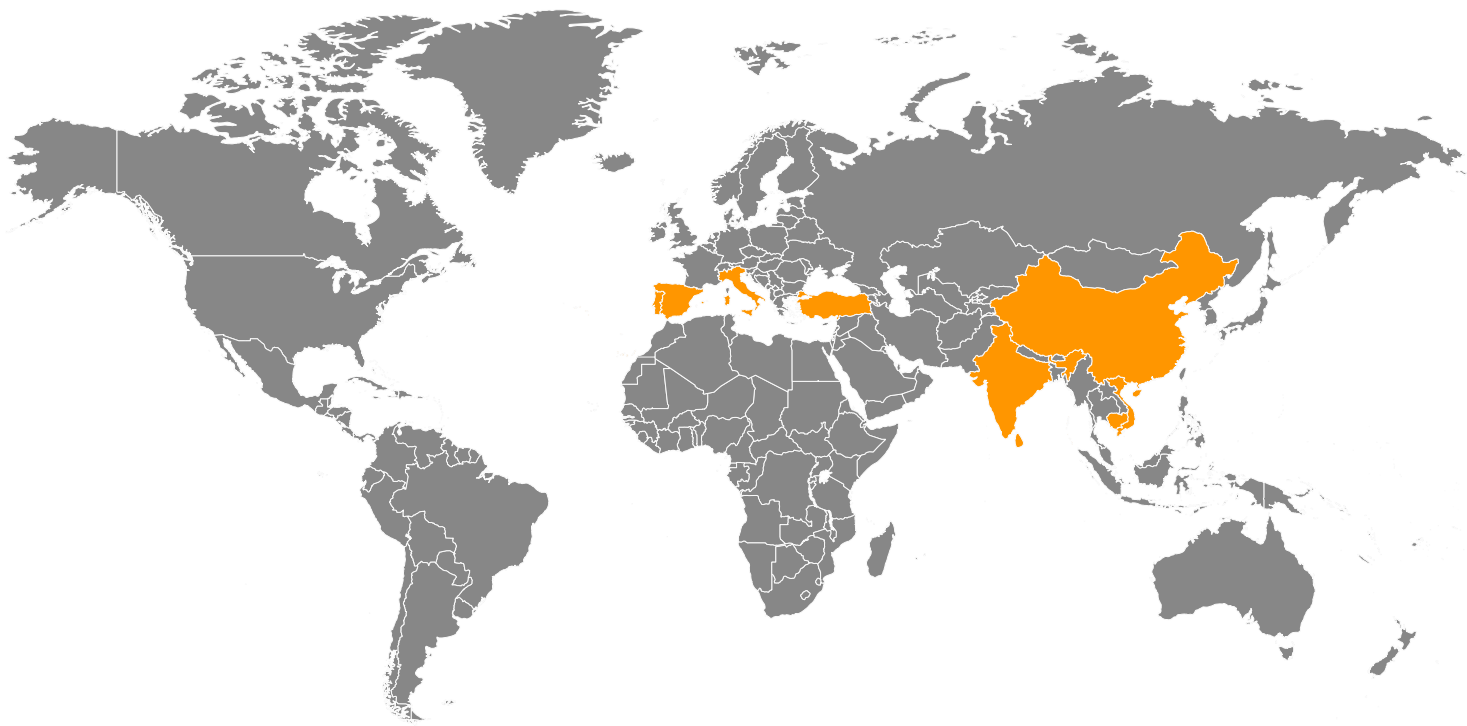
- Screened Top 20 non-stock suppliers and 100% of landlords for ESG / Modern Slavery criteria
- Mapped grievance mechanisms available to workers in Tier 1 supplier factories



OUR BUSINESS

Since its creation by David Reiss in 1971, Reiss has established a philosophy centred on creating design-led menswear, womenswear, childrenswear, and accessories. Today, Reiss is a prominent business in the global fashion arena with products developed at our headquarters in central London, employing 1,669 people across head office and retail locations. We operate in the UK, EU, Ireland and North America, across 62 stores, 94 concessions, online channels, including wholesale and franchise stores. In February 2022, Reiss e-commerce operations and logistics were contracted to the NEXT Total Platform following NEXT's acquisition of a 51% stake in Reiss. Later in 2023, NEXT increased its Reiss shareholding to 72%.

Reiss manufactures finished goods through a global network of third-party suppliers, and sources raw materials through the same network and through direct routes. We have 100 active Tier 1 product suppliers and manufacture in 12 different territories.



SOURCING LOCATIONS

Sourcing locations: Bangladesh, Cambodia, China, Hong Kong, Spain, Italy, India, Morocco, Portugal, Sri Lanka, Turkey, Vietnam

Based on sites audited during the year, we have 72,214 workers in our Tier 1 product supply chain, of which 41,110 are women and 31,104 men.

In 2023-24, our top 15 suppliers accounted for 63% of our retail value. Our top 15 Tier 1 suppliers split across the following countries:
China 66% Turkey 20% India 7% Vietnam 7%

Our current Tier 1, total factory base splits across the following:
China 43% Turkey 20% India 15% Europe 9% Vietnam 7% Bangladesh 2% Sri Lanka 2% Morocco 2%



COLLABORATION

Reiss has been a member of the Ethical Trading Initiative (ETI) since 2017, beginning at Foundation level and becoming a full member in 2019. The ETI is an alliance of companies, trade unions and NGOs that promote respect for workers' rights around the globe. We also participate in a number of textile industry certification schemes and collaborative initiatives to support us in increasing the transparency of our raw materials sources.

We value our relationships with our suppliers, illustrated by the long tenure of many trusted suppliers – four of whom have been supplying us for over thirteen years and a further two for twenty years. Reiss continuously evaluates and monitors supplier compliance within the diverse geopolitical, cultural and legal contexts of our sourcing regions.

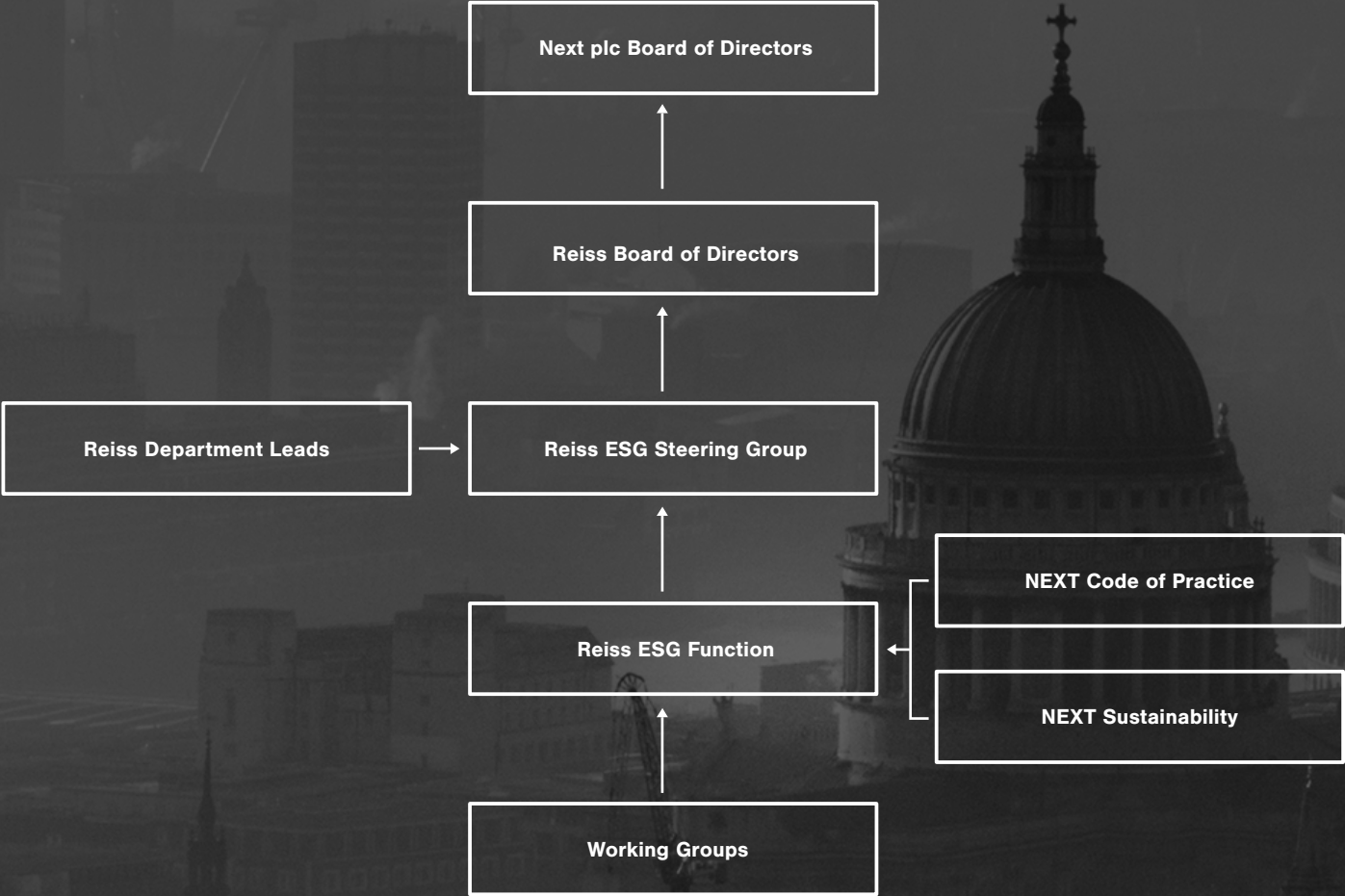
GOVERNANCE FRAMEWORK

Reiss has implemented a governance framework along with associated policies and processes to embed ESG across its business operation. The governance framework provides a robust structure to ensure accountability and oversight of social, environmental and governance, and ensures there is a process for identifying and mitigating associated risks.

The Reiss ESG Steering Group has oversight of ESG related matters. The group is made up of the Chief Executive Officer, Chief Finance Officer, Chief Customer Officer, People Director, ESG Manager and other senior executives across the business, reporting to the Reiss Board of Directors, who in turn report to the NEXT PLC board. The group meets quarterly and can also be convened for resolution of emerging issues.

The supporting diagram demonstrates how ESG Governance and strategy, including Modern Slavery prevention and remediation, is implemented at Reiss.

Our ESG Steering Group is responsible for reviewing our policies on a regular basis to ensure they are robust and meet changing legislation. Suppliers are consulted and informed of any changes to our policies, which form part of the terms and conditions of our trading relationship.



POLICIES

Our core human rights and ethical supply chain management policies align with the NEXT Code of Practice, following international ethical trading standards, including the Ethical Trading Initiative Base Code:

- Modern slavery is prohibited, and employment is freely chosen
- Child labour will not be used
- Freedom of association
- Working conditions should be safe and hygienic
- Living wages should be paid
- Working hours should not be excessive
- No discrimination
- Regular employment is provided
- No harsh or inhumane treatment is allowed

Additionally, Reiss has established a framework of business policies that support these ethical standards and expectations. Policies that relate to human rights, third party relationships and modern slavery are published on our main ecommerce website [here](#). These include:

- Human Rights Policy
- NEXT Code of Practice Principle Standards
- Reiss Code of Business Integrity
- Whistleblowing
- Health and Safety
- Anti-Bribery and Corruption
- Ethical Trading Policies

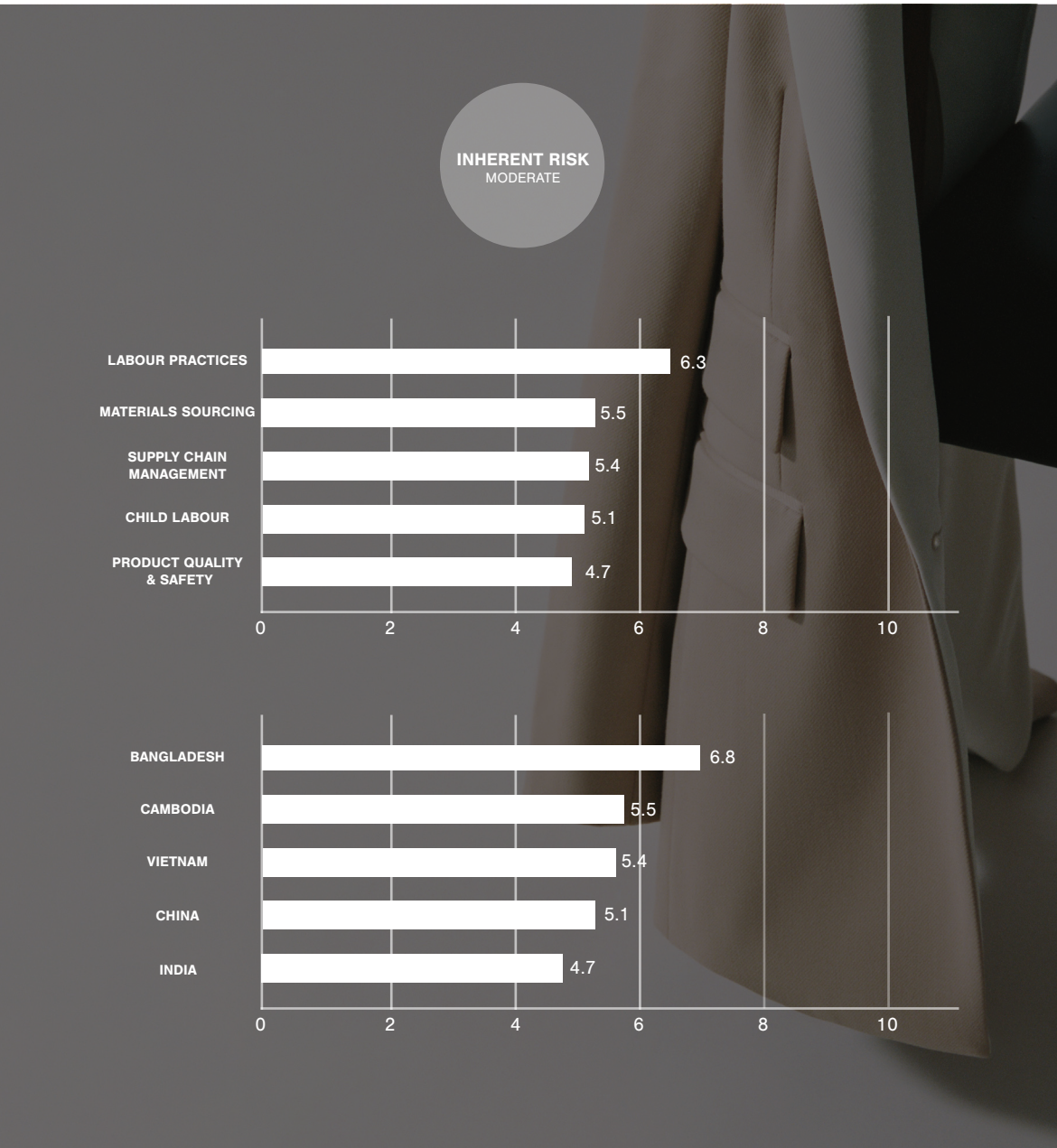
We also provide additional detailed policies to our supplier community via our Segura Supplier Management Platform covering specific supply chain issues including:

- Supplier Code of Conduct
- Child labour
- Migrant workers
- Unauthorised subcontracting
- Responsible recruitment
- Homeworkers
- Restricted Sourcing Regions



RISK IDENTIFICATION

In 2023-24, Reiss undertook a risk assessment process to inform the development and prioritisation of our due diligence and mitigation strategies. Firstly, an assessment using The Landmark Risk Horizon: ESG rating system which identifies high-level risks by industry sectors and geographical regions as defined by the Sustainable Accounting Standards Board (SASB). Using data from authoritative global databases. Combining industry sector data with country risk data, the most significant risks for Reiss identified through this process are as follows:



We then carried out a deeper desk-based assessment of human rights and modern slavery risks by Tier 1 country and raw material sourcing. We consulted academic sources as well as reports from industry bodies, the International Labour Organisation, Business and Human Rights Resource Centre, Fair Labor Association, Human Rights Watch, several NGOs working in human rights and modern slavery, international government publications and media reports. We identified the following salient risks for Reiss. We believe those areas which give rise to the highest risk of modern slavery are:

RISK AREA	OUR PRIORITY AREA OF FOCUS	2024 ACTION
Reiss own branded product supply chain	Tier 1 manufacturing sites, Tier 2 processing sites, unauthorised sub-contracting	Increase visibility of Tier 2, focus due diligence on highest risk regions, implement unannounced audits in Year 2 of Next COP programme, increase supplier training and engagement activity, improve internal awareness of modern slavery and responsible buying practices
Sources of raw materials	Cotton, viscose, leather	Targets for certified materials to provide greater visibility of supply chain practices. Continued mapping of key fibres to highlight specific risks within our supply chain
Specific sourcing regions	China (high volume), Bangladesh, Cambodia, Vietnam, India	Increase visibility of lower tier facilities Work with NEXT COP team to prioritise Reiss higher risk regions Reduce dependence on China sourcing due to modern slavery risks
Specific non-stock goods and services	Logistics, leased premises, warehousing, cleaning	Extend non-stock ESG screening questionnaire to 50% of supply base and 100% of property landlords Include ESG screening questions in all non-stock procurement/contract reviews to ensure suppliers' awareness and compliance with modern slavery regulation Work with NEXT plc for warehousing due diligence

Our salient human rights risks are:

- Freedom of association and collective bargaining
 - Health and safety
 - Working hours
 - Children's rights
- Modern slavery, including wage retention
 - Wage levels
 - Harassment and discrimination
 - Water, sanitation and health

DUE DILIGENCE

During 2023 Reiss adopted the [NEXT Code of Practice](#) (COP) as a framework for supply chain due diligence and benefits from a wide network of in-country auditors, thereby significantly increasing our capacity to monitor labour conditions and identify issues of concern. We also implemented Segura, a supply chain mapping system which enables greater transparency and monitoring of our supplier factories in both product and non-stock supply chains.

The NEXT COP auditing process delivers assurance that our suppliers and their factories understand their responsibility to comply with our ethical standards. Details of the COP Principle Standards and Auditing Standards are available [here](#). Our supply chain due diligence process helps us better understand the salient human rights issues across our business - i.e. those human rights that stand out because they are at risk of the most severe negative impact through the Company's activities or business relationships.

Throughout 2023 we have worked with the NEXT COP team to systematically audit, understand and improve the conditions across our supply chain. We have auditors in our key sourcing regions working as part of the NEXT COP team visiting and improving our factories systematically. We have capacity for up to 120 audits a year as well as follow up visits and audits. During the first round of audits, we worked with each factory to ensure they were ready to achieve a good rating before organising an announced audit. Once suppliers have had their first audit, they have a reasonable timeframe to remediate any issues that were identified with the support of our ESG team. From then on, all factories are subject to an unannounced audit, not knowing when the audit will take place. This allows Reiss to get a real view of the conditions and practices at the site.

Our ESG Manager holds annual supplier presentations for each sourcing region to introduce the new process, expectations, standards and requirements of NEXT COP. These sessions also allow for valuable conversations with our suppliers to understand each other's focus areas and improve ways of working together.

In addition to the COP team, Reiss maintains its relationship with third party ethical audit company [The Reassurance Network](#), who provide the opportunity for independent remediation services on high-risk matters. Reiss has also engaged a dedicated CSR and QC technologist in Sri Lanka and Turkey to support and improve factories in Asia and Turkey from a Quality Control and ethical standpoint, who supports the NEXT COP programme on the ground.





TRACEABILITY

We recognise that to ensure we are eradicating modern slavery in our supply chain we must know exactly where our products are being made and bring our suppliers along with us in this process. The Segura platform supports us in mapping our supply chain beyond Tier 1, gathering ethical and sustainability data, providing the reporting capabilities required to understand how the supply chain is performing across multiple risk areas. As a result, we have increased traceability, awareness and have introduced reporting capabilities to further our understanding of risk.

TRAINING

In November 2023 a new business-wide employee communication platform was launched at Reiss. This hosts and enables accessible, online training in modern slavery and other topics to be available to all colleagues across the business. Modern slavery training has been introduced as a compulsory induction module for new employees. The new platform also enables the Reiss People team to monitor completion rates for all compliance training.

Buying teams receive training in how to recognise and report modern slavery both in and around the workplace and in conversations with suppliers.

Our Segura supplier platform enables a consistent onboarding process which highlights our ethical trade requirements, human rights and supply chain policies, and the importance of transparency and traceability as a requirement of working with Reiss. Additionally, our suppliers undergo continuous training as part of our NEXT COP collaboration from the supplier presentations to regular meetings with our auditing team on the expectations and non-compliance closure.

EFFECTIVENESS OF OUR PROGRAMME

Auditing

Starting from August 2023, the NEXT COP team carried out 108 audits across 96 sites in all Reiss sourcing countries. Being part of the NEXT COP programme has allowed us to understand our Tier 1 factories in much greater detail and establish a new baseline of compliance now we no longer accept third party audits. In the first round of audits, we uncovered a small number of unacceptable sites which had previously been listed as good/featured no non-compliances. As a result of these findings, the Reiss ESG team engaged these suppliers in a remediation process to move most of these sites to a good/fair rating. To understand more about the NEXT COP auditing programme please see [here](#).

Being part of the NEXT COP programme means we have access to a team of experts on the ground who can visit our sites at any time. For example in Turkey, our auditor carried out an informal visit where they found a worker from another factory in the building who was not registered to work at Reiss' site. As a result, the ESG team spoke to the supplier to implement a remediation plan, the factory management received training and security was implemented in the factory to make the site safer for all workers.

As Turkey is one of our most important sourcing regions, the ESG team has weekly calls with our auditors in the region to discuss any issues or concerns to ensure we have great visibility of the situation on the ground, and so we can support our suppliers in the best way.

Unauthorised subcontracting

We continually work with our suppliers to ensure no unauthorised subcontracting takes place and we regularly send reminders to our suppliers on our expectations. We have had 4 cases of unauthorised subcontracting in the last 12 months. We worked with these suppliers to explain the risk and why declaring new sites is so important. We are confident these suppliers will not allow this to happen again and through our traceability platform, Segura, we are better able to identify unauthorised subcontracting. We also introduced a £10,000 fine for suppliers found to be using unauthorised sites. We have not applied this fine yet, but we reserve the right to do so.

Forced Labour

Current global issues such as the war in Ukraine and Uyghur exploitation in China have our attention, we work across the business to tackle these issues and support suppliers wherever possible. Reiss are reviewing our dependency on sourcing and manufacturing from China due to forced labour and modern slavery risks in the region.

In 2023 we reissued our preferred materials policy which sets out our materials restrictions, preferences and highlights the best-in-class options we want to introduce. 124 suppliers have accepted and now comply to our Raw Materials Sourcing policy and Human Rights policy which can be found [here](#). Should we find that any of our products sourced from banned or restricted sources, we will engage our suppliers to change practices and/or re-evaluate our relationship with them, we will also conduct supply chain due diligence to ensure compliance with our policies. We will continue to seek better understanding of our supply chain and the global issues which impact suppliers. These subjects are part of our risk assessment and are monitored continually.

Supplier Presentations

Supplier presentations were carried out in 2023 in India (June) and Turkey (July) and online for China, Vietnam, Cambodia, Europe, Turkey and Sri Lanka covering all the standards of Code of Practice and topics such as sourcing country challenges, supplier compliance performance and supply chain risk areas. These forums also provide the opportunity for valuable conversations with our suppliers to understand each other's focus areas and improve ways of working together. Online supplier presentations and events are planned for all sourcing regions in Q3 2024 to refresh suppliers on our expectations across Code of Practice, traceability, modern slavery and all Reiss ESG requirements.

Non-Stock Suppliers

In 2023-24 we rolled out a questionnaire to our top 20 non-stock suppliers. The questionnaire captured information spanning across all pillars of ESG, including how they have identified and reduced human rights risks in the supply chain and whether these suppliers have published a modern slavery report.

PROGRESS AGAINST THE TARGETS IN OUR 2023 MODERN SLAVERY STATEMENT:

RISK AREA	AREA OF FOCUS	COMMENT
Set up and roll out our Reiss and NEXT Code of Practice auditing programme, hiring two Reiss auditors to work as part of NEXT's global auditing teams.	Achieved	<p>Since our partnership with NEXT Code of Practice began in 2023, 70% of Tier 1 factories have re-audited using NEXT COP methodology.</p> <p>In year 1 of our partnership, all audits have been announced.</p> <p>From here on a programme of semi announced and unannounced audits will be implemented, in line with NEXT COP protocols.</p> <p>A dedicated Reiss auditor has been engaged and is working alongside NEXT's global auditing teams.</p>
Continue working with our expert 3rd party auditors to visit 10 factories we have identified as risk management priorities.	Achieved	<p>Throughout 2023, Reiss worked with expert third party auditors (in addition to NEXT) to remediate risks identified as part of our due diligence process.</p> <p>For example, two factories in Turkey were visited to investigate and resolve health and safety and buildings issues raised through auditing processes.</p>
Work with our Production and CSR Technologist in Turkey and Sri Lanka to regularly visit and support our suppliers to close non-compliances.	Achieved	<p>Reiss engaged a production technologist based in Sri Lanka to support ethical and technical compliance.</p> <p>Our technologist was trained in Code of Practice methodology and also contributed to resolving traceability challenges in Sri Lanka.</p> <p>They also contributed to in-person supplier training events in India.</p>
Fully set up the Segura monitoring system and set new tier mapping targets.	Achieved	<p>Good visibility of Tier 2 as a result – helped us with evidencing which suppliers have read and agreed our policies. Improved communications with suppliers.</p> <p>Began mapping non-stock, training for suppliers on the importance of data sharing and supply chain mapping to Reiss and managing risk.</p> <p>Training on traceability – refresher on policies.</p>
Update and publish our Tier 1 factory list for the second year running.	Achieved	<p>All 144 live Tier 1 factories were published - link to list here: https://opensupplyhub.org/facilities?contributors=2974</p>
Continue supplier and factory mapping, increasing our production visibility, a key factor in identifying any risks of modern slavery in our supply chain.	Achieved	<p>Engagement with Segura, a supply chain traceability programme, to map our supply chain and have our Tier 1 suppliers declare their Tier 2 and 3 sites.</p> <p>Send out banned sourcing regions declarations to all suppliers.</p>
Hold training sessions on modern slavery for the whole of head office and refresher training on responsible purchasing practice for our buying teams.	Achieved	<p>235 people in head office completed the modern slavery training on our internal learning and development platform, The Muse.</p> <p>In December 2023, The Ethical Trading Initiative provided in-house training for Reiss buying and product development teams on responsible purchasing practices.</p>
Strengthen supplier and factory onboarding process.	Achieved	<p>With the introduction of our online supplier management system, Segura, and transition to the NEXT Code of Practice, we have improved our factory onboarding process.</p> <p>All suppliers are required to complete a questionnaire to identify any human rights concerns pre audit. Our auditors then arrange a meeting with each factory.</p> <p>In 2023, we rolled out new policies to our supply base including human rights, forced labour, child labour, migrant labour and several responsible materials sourcing policies.</p>

2024-25: NEXT STEPS

Reiss published a new Environmental, Social and Governance strategy and 21 commitments in July 2024. The following extracted commitments with associated social and human rights supporting our action on modern slavery are listed below:

Build sustainable supply chains that champion and uphold dignity respect and ethical practice

- Host four online Supplier Conferences, sharing the requirements of the Next Code of Practice
- Audit all active Tier 1 factories
- Target all existing factories to achieve NEXT Code of Practice Category 3 or better
- Streamline and update our Supplier onboarding documents to clarify Human Rights requirements
- Share Reiss ESG policies and updates with all suppliers, including the Reiss human rights policy

Continuously improve our approach to human rights in line with the UN Guiding Principles

- Publish the Reiss Human Rights policy on our main e-commerce website
- Extend our business-wide modern slavery training to include store teams
- Identify grievance mechanisms available to Tier 1 product suppliers and priority non-stock providers
- Extend purchasing practices support for product teams and promote good practice through progression reviews
- Screen 50% of non-stock suppliers for evidence of commitment to act on modern slavery in their own supply chains as part of an ESG assessment questionnaire

Increase the visibility of supply chains from manufacturing through to raw materials sources

- Map and publish 100% of Tier 1 and 35% of Product Tier 2 sites on Open Supply Hub





Ensure accountability and oversight of environmental, social and governance matters

- Maintain a regular cycle of ESG Steering Group meetings, to include reporting of social and environmental data, as well as identification and mitigation of modern slavery risks and incidents.
- Implement regular company-wide communications, to include policies, training and guidance related to human rights and modern slavery in product and non-stock supply chains

Assess environmental, social and governance risks and opportunities

- Include ESG risks within Reiss corporate risk assessment processes, to include desk-based detailed review of potential modern slavery and human rights risks in existing and potential new sourcing regions

Transparently disclose our progress in ESG, aligning our reporting with established global frameworks

- Publish Reiss ESG strategy, policies and targets on our main ecommerce website
- Join collaborative industry initiative, Cascale (formerly the Sustainable Apparel Coalition) to learn from others in the industry and benchmark our progress
- Measure and report our activity using the Higg Brand and Retail Module, aligning our social, environmental and governance programmes with global good practice

BOARD APPROVAL

This 2024 Statement is written by the ESG Manager, approved by Reiss board members and signed by Malcolm MacDonald, Chief Financial and Operating Officer.

**MALCOLM MACDONALD, CHIEF FINANCIAL OFFICER
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